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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, AUGUST 3, 1998

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

CASE NO. PUC970113

Ex Parte: Investigation of the termination of local exchange service for failure to pay for long distance services

ORDER FOR NOTICE AND INVITING COMMENTS

By order entered July 23, 1997, the Commission invited comments concerning its investigation of the termination of local exchange service for failure to pay for long distance services. Comments were filed by nine parties on September 5, 1997. On September 26, 1997, the Commission Staff submitted a report that included recommendations and suggestions for further action. The Commission invited comments in response to the Staff Report. Responses were submitted on January 16, 1998, by Hyperion Telecommunications of Virginia, Inc., MCI Telecommunications Corporation, and Bell Atlantic-Virginia, Inc. ("BA-VA").

Having considered the parties' comments, the Staff Report, and the replies to the Staff Report, the Commission has tentatively concluded there should be no disconnection of local service for failure to pay for long distance services.

Accordingly, we have proposed Rules Concerning Disconnection of Local Exchange Telephone Service, and invite comments concerning the proposed rules, attached hereto as Attachment A.

IT IS THEREFORE ORDERED THAT:

- (1) Comments concerning the proposed rules attached hereto as Attachment A may be filed on or before September 4, 1998.
- (2) The proposed rules contained in Attachment A shall be appropriately published in the Virginia Register.
 - (3) This matter is continued generally.

- A. A Local Exchange Company ("LEC") may terminate local exchange service only for a customer's failure to pay for services billed on behalf of the LEC when the services are in tariffs on file with the Virginia Commission and there is no bona fide dispute concerning such services. After intraLATA dialing parity has been implemented, a LEC may not terminate local exchange service for a customer's failure to pay for the LEC's intraLATA toll services.
- B. LECs shall indicate on customers' monthly bills those items for which service may not be terminated for failure to pay and shall include an explanation, by footnote or otherwise, that local telephone service may not be terminated for failure to pay for those services. The form of this notification must receive prior approval from the Commission's Division of Communications.
- C. LEC White Pages telephone directories published after
 the date of the order adopting these rules shall include an
 explanation of the services for which local exchange service may
 be terminated for failure to pay.
- D. LECs may not block a customer's access to all IXCs for that customer's failure to pay toll charges of an IXC.
- E. Customer payments that are less than the total bill balance shall be credited first to basic local exchange access and usage, with any remainder credited next to any other LEC non-competitive tariffed services, and finally to any other charges on the bill.